Assessed above, many failures of the MBO program may at least be partially attributable to the lack of training and preparation of managers regarding the different phases of this planning process. An integral and critical dimension of any MBO program is the goal setting interview. Quick’s research has provided support regarding the benefits of training managers for the goal-setting process (9, p. 248). Superiors and subordinates must interact candidly so that objectives can be mutually discussed and employees can be reassured of their boss’s support. If this objective setting phase breaks down at any stage, the entire MBO approach is jeopardized (8, p. 427).

With the move in mind, it seems that management educators can help minimize the failure of MBO by preparing students for the critical phase of goal setting via experiential education. Unfortunately most students are exposed to MBO from an organizational and philosophical perspective. They often study this management process by memorizing the various stages within the MBO model. Too little time is devoted to teaching the phase which will most likely challenge them at first -- the goal setting process. One of the main reasons that results-oriented programs are frequently abandoned is because of the difficulty in formulating appropriate, concrete and usable objectives (1, p. 626). Cerò and Graf have given preliminary attention to the need to teach students how to prepare for the goal-setting interview (4, pp. 54-55). It seems logical that the next step is to allow students the opportunity to actually role play the two actors involved in this dyad--namely the subordinate and superior. The purpose of this paper is two-fold: first, to review the nature of the goal setting process and secondly, to share the results of goal setting exercise used in an undergraduate principles of management course.

The Goal Setting Process in Perspective
The process of establishing individual and/or work goals is certainly not new but its importance as a management tool has grown significantly since the evolution of management by objectives. Early goal setting research focused on the motivational affects of goal setting activities on performance (8, p. 242). For example, McClelland recognized the importance of the objective setting process during his attempt to develop achievement motivation among managers in underdeveloped countries. It was pointed out by McClelland that the success of his training program greatly depended upon getting his trainees to focus on specific, realistic, and practical goals rather than non-operational general statements. In essence, these managers had minimal competence in writing good personal performance objectives (6, p. 14).

Just what is goal setting and how does it relate to MBO? Goal setting can be viewed as a process of superior-subordinate interaction through which work targets or aims are established for the subordinate manager. Objectives agreed upon during this process
The objective setting process stresses change, improvement and growth of the organization and its members (8, pp. 427-429).

As demonstrated in the above discussion, the core of the goal setting process is the articulation of a set of objectives mutually acceptable to both boss and employee. This negotiation between superior and subordinate during the objective setting interview is one of the most difficult stages of the MBO program. Even experienced managers view this face-to-face encounter as a challenging and arduous task (11, pp. 50-51). This apprehension and lack of confidence regarding the goal setting process reinforces the need to educate and prepare students for this critical phase of the work setting. The following discussion documents the administration and results of a goal setting exercise that could be used to prepare “managers-employees” for the task of establishing objectives within the framework of an MBO philosophy.

THE GOAL SETTING EXERCISE

Purpose of the Experience

This experience was designed to provide the management student with insight into a very critical dimension of management by objectives—the goal-setting process. One of the first assignments given to employees during the MBO process will often be to write personal objectives as they relate to their organizational environment. This exercise gives participants an opportunity to prepare operational objectives according to a specific model prior to the goal setting interview. This early phase of the goal setting process is very important since many employees have great difficulty writing verifiable, realistic, and challenging objectives (9, p. 246). This experience should increase the students’ confidence and awareness concerning the structural content of a well-written objective.

A simultaneous role facing the manager during the goal setting process is the negotiation and evaluation of his subordinate’s objectives. Being a manager and a subordinate at the same time can often create high levels of conflict that result in dysfunctional behavior (9, pp. 241-242). This exercise allows the student to experience both sides of the coin. Even though the results may create above average levels of frustration and conflict, the experience per se should increase the student’s awareness level and ability to cope in the real work setting.

Design and Administration of the Exercise

This experiential activity is divided into three parts. The first part of the exercise is a hybrid combining a critical incident with a role playing assignment (See Figure One). As part of their preparation, undergraduate management students were assigned a textbook chapter on the planning process which contained a rather detailed discussion of management by objectives. One entire class period was used to discuss the difference between objectives and strategies and how these concepts fit into the overall MBO model. An objective was placed on the board based upon the model provided in Part I of the exercise. Strategies were then developed to complement the stated objective. It was anticipated that each student would be able to write three objectives according to the model provided in the exercise. The pedagogical goal at this point was to encourage students to concentrate on the WHAT of the MBO process. It was also anticipated that students would write objectives that were realistic and measurable. Part I in essence has been modeled after Schleb’s approach which asserts that the FIRST part of the goal-setting process should concentrate on “the what—not the how” (10, p. 18).

FIGURE ONE

WRITING OBJECTIVES EFFECTIVELY

PART I

Bob Cordoza began working for the marketing research division of Proctor and Gamble in 1979. P & G is one of the largest producers of consumer products in the United States. Some of their brands include Folgers coffee, Crest toothpaste, Pampers diapers and Tide detergent. Bob chose P & C because they have a strong belief in the marketing concept. P & G listens and reacts to consumer feedback. In fact, Bob’s first assignment was a data collector for specific surveys pertaining to several consumer products. After less than a year, Bob was promoted to data analyst. In this capacity, Bob designs questionnaires and research projects. In addition, Bob coordinates the statistical analysis and interpretation of research results. Recently, Bob’s immediate supervisor, Art Crane, visited with him about a new program being tested at Proctor and Gamble. The program is best known as Management by Objectives. Bob was very receptive to Art’s visit as he was somewhat acquainted with MBO. Art requests that Bob make a list of three key objectives pertaining to professional growth. Bob interpreted Schleb’s approach which asserts that the FIRST part of the goal-setting process should concentrate on “the what—not the how”. (10, p. 18).
(and reiterated below), develop three well written objectives for Bob. Bring these three objectives to class at our next meeting.

MODEL FOR WRITING OBJECTIVES:
To + Action Verb + Single Behavioral Result + Target Date

EXAMPLE:
To capture 35% of the lite beer market by March 1, 1981.

BOB’S OBJECTIVES:
1. 
2. 
3. 

The author acknowledges, however, that strategies for achieving these goals must be discussed as part of the total goal setting process. To some extent, students were challenged with looking to the means by applying the criteria provided to them in Part II of the activity. It was the belief of the author, however, that these criteria should be introduced only after students had ample opportunity to write clear and verifiable objectives. Consequently, Part II was distributed to students at the next class meeting. Students (16) were randomly assigned into four groups and asked to play the supervisory role of Art Crane. Criteria were provided so that each member of the group could critique the objectives of each respective colleague. Approximately 60 minutes was allowed for this part of the exercise. The author maintained a very low profile during the small group process. Toward the end of the class period the author concluded Part II and commenced Part III of the exercise.

PART II

Directions: Each member of your group should be prepared to share their written objectives. Remember, you have played the role of Bob Cordoza, marketing research analyst for Proctor and Gamble. Now each of you will assume the role of Bob’s supervisor, Art Crane. You will need to analyze the objectives in detail. To help you evaluate the written objectives of each group member, I have provided a list of key questions that you should answer during this decision making process.

Key questions for evaluating employee objectives:

1. Is the objective constructed properly—e.g. Infinitive + Action Verb + Single Behavioral Result + Target Date?
2. Can you measure and verify the intended result of the objective?
3. Does the objective seem congruent with the departmental objectives?
4. Could you understand the objective if you had to implement it?
5. Is the objective realistic and attainable but still challenging?
6. Does the result of the objective appear to justify the time and expenditure of resources (either Bob’s and/or P & G’s) required to achieve it?
7. Does the attainment of this objective greatly depend upon the help and performance of other departmental or company members?

PART III

Directions: You have just recently completed playing the role of Bob Cordoza and Art Crane respectively. Listed below are the seven key criteria you used to evaluate each objective. Based upon your small group experience, would you please indicate which of the criteria was most difficult to meet when writing employee objectives. For example, did students have most difficulty with proper construction; or did students have more difficulty with writing objectives which seemed congruent with the marketing research department. In short, rank the criteria based upon how difficult it was for students to meet that criterion. One means most difficult, two next most difficult, all the way to seven which means least difficult.

Key criteria for evaluation:

1. Is the objective constructed properly—e.g. Infinitive + Action Verb + Single Behavioral Result + Target Date?
2. Can you measure and verify the intended result of the objective?
3. Does the objective seem congruent with the departmental objectives?
4. Could you understand the objective if you had to implement it?
5. Is the objective realistic and attainable but still challenging?
6. Does the result of the objective appear to justify the time and expenditure of resources (either Bob’s and/or P & G’s) required to achieve it?
7. Does the attainment of this objective greatly depend upon the help and performance of other departmental or company members?

Results and Conclusions

Part III of this activity is a self-reporting instrument which instructs students to rank criteria used during the “interview process” based upon how difficult it was for them to comply with that criteria. One met most difficult, two next most difficult, all the way to seven which met least difficult. (See Figure One, Part III). The rankings are shown in Table 1 below:

<table>
<thead>
<tr>
<th>CRITERIA RANKINGS FOR GOAL-SETTING EXERCISE</th>
</tr>
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<tbody>
<tr>
<td>7</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>6</td>
</tr>
<tr>
<td>4</td>
</tr>
</tbody>
</table>
The “good news” is that most students seemingly learned to construct operational objectives. This is demonstrated by the rankings given to the criteria listed in the first, second, and fourth position in Table 1. The bad news” is that students became uncomfortable with the criteria that related more to the means of achieving their personal goals. Students frequently wanted more precise information during Part II of the exercise. It should be pointed out that although this is a limitation of the incident approach, many times practicing managers do not have complete information regarding organizational sources, goal congruency and/or interdependency of subsystems. To this extent, the frustrations experienced by the students may increase their awareness regarding the need to be more cognizant of the total organization.

In short, most students appeared to have learned how to write a verifiable objective based upon a commonly accepted model. Students further experienced the role conflict and frustration that often accompanies the application of criteria during the goal-setting interview. Perhaps this classroom experience will place them on first base if they become challenged by participating in an MBO program.

REFERENCES


